

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

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March 28, 2008

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 07HD-180

HAWAII

Approval In-Principle, Right-of-Entry and Authorization to Apply for Re-Classification, Rezoning and other Land Use Approvals of the State Land in Connection with Proposed Kona Motorsport Park, County of Hawaii, Mahaiula and Kaulana, North Kona, Hawaii, Tax Map Key: 3rd/ 7-2-005: Portion of 8

APPLICANT

County of Hawaii, a municipal corporation whose mailing address is 25 Aupuni Street, Hilo, Hawaii 96720

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes (HRS), as amended.

LOCATION:

Portion of Government lands of Mahaiula and Kaulana situated at North Kona, Hawaii, identified by Tax Map Key: 3rd/ 7-2-005: Portion of 8, as shown on the attached map labeled Exhibit A.

AREA:

250 acres, more or less.

ZONING:

State Land Use District: Agriculture
County of Hawaii CZO: Not Applicable

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Vacant and unencumbered.

PURPOSE:

Motor Sports Park together with related and ancillary recreational purposes.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action before the Board is merely an authorization for the County to proceed with the necessary studies, surveys, preparation of an Environmental Impact Statement in compliance with Chapter 343, HRS, application to the Land Use Commission for reclassification from Conservation to Urban, Hawaii General Plan Amendment, rezoning and other actions appropriate for the establishment of the proposed use of the area for the purpose described above. Should the County of Hawaii successfully comply with Chapter 343, HRS in the preparation of an EIS, obtain the necessary reclassification from the Land Use Commission, re-zoning and other necessary approvals, the formal request for an Executive Order will be by a future submittal to the Board.

REMARKS:

The County of Hawaii was previously granted Right-of-Entry (ROE) to this area to conduct preliminary studies and surveys to evaluate the feasibility of developing a Motor Sports Park in this area. The original ROE was issued for the period from August 5, 1999 to July 31, 2001 with subsequent extension from August 1, 2001 to January 31, 2003. Additionally, there was an additional ROE issued from January 1, 2005 to July 31, 2006.

The County of Hawaii in cooperation with Paul Maddox of the Hawaii Racing Association, conducted numerous preliminary studies and surveys in an effort to look at the feasibility of developing a Motor Sports Park on the subject parcel. Towards that objective, a report was prepared for the County of Hawaii.

In cooperation with the County of Hawaii, the Hawaii Racing Association would like to undertake an effort to raise the necessary funds to pursue the change in land use designation with the Land Use Commission and the other appropriate land use approvals. However, in seeking private funds for such an effort that will be upwards of \$500,000.00, the County of Hawaii and the Hawaii Racing Association would like the Land Board's consent and authorization to proceed. The formal request by the County of Hawaii for an Executive Order will be brought under a separate submittal once the appropriate land use approvals have been obtained.

The need for a legal area for motorized sports and recreation has been an issue on all islands in the State of Hawaii. The Hilo Dragstrip Facility on the East side of the Big Island is heavily used and since its development in 1971, the facility has been expanded through private efforts to include a go-kart track, a stockcar dirt oval track and motocross course. The Hilo facilities are used nearly every weekend but are often complicated with rain. This is often a great frustration for the participants from West Hawaii since the trip of over two hours with vehicles in tow is not an easy task.

The hope is that in cooperation with the County of Hawaii, the motor sports community will be able to develop a full spectrum of recreational facilities such as:

- **MOTOCROSS TRACK**

Sales of off road motorcycles and ATVs have doubled in the last 5 years according to Big Island motorcycle dealers. Over 800 young people from 4 to 17 years old have registered to ride in the HRA's Keiki Motocross (KMX) events since the monthly series debuted at the Parker Ranch in 2004. Although a club-built motocross track was added to the Hilo Dragstrip facility last year there is no legal place for these young people and their families to ride in West Hawaii.

- **OFF ROAD TRACK**

A safe and legal area for off road truck activities. 4x4 trucks and SUVs are the largest segment of sales according to Big Island auto dealers. Many are further modified for recreational use in off road environments with larger tires and improved suspensions. There is no legal place on the entire Big Island for these vehicles to hold competitive events like 'rock-crawling', 'mud bogs' or other off road competitions.

- **DRAGSTRIP**

A safe and sanctioned drag strip in West Hawaii which would be open every weekend for both young people and adults to race their stock and modified cars and motorcycles in a controlled environment. The Hilo Dragstrip is only scheduled to be opened for 33 days in 2007. Of those race days only 10 were for "off the street and onto the track" non-competition events aimed to curb street racing by young people.

- **ROAD COURSE**

A safe and legal 2-3 mile paved road course would provide for many activities involving automobiles, motorcycles, go-karts and bicycles. It can also serve as a venue for advanced driver training, as well as, emergency driver training such as police and fire personnel. The course can also provide for a place for young

drivers to receive basic driver training and advanced performance driving schooling for older enthusiasts. This large paved area can also provide a venue for car shows, statewide solar/electric car events, local fairs and concerts.

- **OTHER USE**

Within the proposed 250-acre motor sports park there can be additional specialized space for stockcar racers, go-karters and model airplane enthusiasts to continue to grow and enjoy their sports.

Various governmental agencies were solicited for comments.

| AGENCIES | COMMENTS |
|--|-------------------------|
| <u>County of Hawaii</u> | |
| Fire Department | No comments |
| Planning | No objections |
| Parks & Recreation | No comments |
| Police Department | No response |
| Public Works | No comments |
| Water Supply | No objections |
| <u>State of Hawaii</u> | |
| DHHL | See comments below |
| DLNR-Aquatic Resources | No comments |
| DLNR-Boating and Ocean Recreation | No response |
| DLNR-Conservation & Resource Enforcement | No response |
| DOFAW | See comments below |
| DLNR-Na Ala Hele | No comments/ objections |
| DLNR-OCCL | See comments below |
| DLNR-State Parks | No response |
| DOT-Highways | See comments below |
| Other Agencies/ Interest Groups: | |
| Office of Hawaiian Affairs | See comments below |

The Department of Hawaiian Home Lands indicated its concern of the expected noise levels, which might impact or restrict development of its leasehold properties in Kalaoa and Kealahou. It does not want the same situation occurring to its Panaewa properties located near the Hilo Drag Strip to occur at its West Hawaii properties. DHHL is interested in reviewing some of the findings collected from prior study efforts, particularly with regards to the expected noise levels.

The Division of Forestry and Wildlife commented that the subject area could contain several different federally endangered plant species such as, uhiuhi (*Caesalpinia kawaiiensis*), halapepe (*Pleomele hawaiiensis*), kauila (*Colubrina oppositifolia*), 'aiea (*Nothocestrum breviflorum*), ko'olua 'ula (*Abutilon menziesii*), and aupaka (*Isodendron*

pyrifolium). Prior to any development, we recommend that a complete botanical survey be conducted in the area.

The Office of Conservation and Coastal Lands had no objections to the issuance of a right-of-entry to complete studies and evaluations. It, however, has concerns regarding the language used such as "Approval In Principal," in the title and that the Board "support the need of a motor sport facility in West Hawaii..." under Recommendation No. 1. It is recommended we reserve Departmental and Board support for the project until the studies and evaluations of the area have been completed and it has been concluded that no significant findings and/or potential impacts to the natural and cultural resources are anticipated.

The Department of Transportation, Highways Division, had no objections to the request, but provided the following comments:

1. Appropriate mitigation measures due to the development shall be incorporated into the project.
2. Highway Improvements required from this application shall be provided at no cost to the State and shall conform to Hawaii Statewide Uniform Design Manual for Streets and Highways and the Specifications for Installation of Miscellaneous Improvements with State Highways.
3. Queen Kaahumanu Highway is a Controlled Access Facility as defined by HRS 264-61. The conditions under which the owner may access the highway can be restricted to right turns in and right turns out upon notification or necessity for future widening upgrades. The owner shall abandon all rights to access Queen Kaahumanu Highway and pursue an alternative means of access should one become available.
4. A Traffic Impact Analysis and Report will be required.
5. The Applicant shall comply with the National Pollutant Discharge Elimination System (NPDES) permit requirements for construction activity disturbing one (1) or more acres of total land area.
6. A sight distance study for the location of the proposed roadway access should be done prior to construction plan preparation.
7. Under HRS Chapter 264 an approved Permit to Perform Work Upon State Highways is required for any entity doing work within the state highway right of way. Construction plans prepared by an engineer licensed in the State of Hawaii for the roadway access driveway connection shall be submitted for our review and approval.
8. The movement of vehicles and or total loads on the State highway shall not exceed the provisions of Chapter 291, Section 34, 35, and 36 Hawaii Revised Statutes as amended without an approved special permit.
9. The applicant as part of this due diligence should be required to inquire through the Department of Health permit process necessary mitigation measures for air quality and noise abatement.

The Office of Hawaiian Affairs has no objections to the matters before the Board, but had

the following concerns. That the lands this project potentially impacts are lands acquired under Section 5(b) of the Admissions Act. Upon Statehood, the Federal government returned the rest of the lands that it no longer wished to use. These lands that make up the Ceded Land Trust. As such, we require that they be treated with the respect due them, as they are part of the 1.8 million acres of land that belong to the Hawaiian monarchy. Because these lands became a part of the public land trust under Section 5(b) of the Admissions Act, OHA is entitled to 20% of all revenue generated on this land.

OHA understands that the action before the Board is merely an authorization for the County to proceed with the necessary studies, applications and actions appropriate for the establishment of the proposed project. This project does generally raise a host of issues for us environmentally, culturally, and archaeologically. We appreciate that the applicant intends to do an Environmental Impact Statement and we look forward to commenting on it as well as the Cultural Impact Statement.

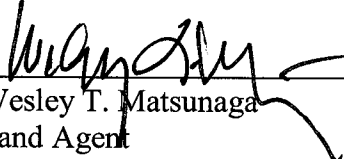
RECOMMENDATION: That the Board:

1. Support the need of a motor sports facility in West Hawaii and authorize the County of Hawaii, in cooperation with the Hawaii Racing Association to proceed with the necessary studies, surveys, Chapter 343, HRS compliance, application to the Land Use Commission for re-classification from Conservation to Urban, General Plan Amendment, rezoning, and all other appropriate land use and zoning changes to establish the development of a motor sports park on approximately 250 acres of the State owned property identified as Tax Map Key: 3rd/ 7-2-005: Portion of 008;
2. Authorize a Right-of-Entry for a period of three (3) years from the date of the Board's approval, to the County of Hawaii for the purposes of the necessary studies, surveys, compliance with Chapter 343, HRS, and other activities in connection with the various land use approvals required for the establishment of the proposed motor sports park use, subject to the following:
 - A. The Right-of-Entry shall be in accordance with the standard terms and conditions of the most current Right-of-Entry form, as may be amended from time to time;
 - B. Review and approval by the Department of the Attorney General; and
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
3. Upon satisfactorily obtaining the appropriate land use approvals, a request for the Board's recommendation to the Governor for the issuance of a Governor's Executive Order setting aside the area to the County of Hawaii for a motor sports park and related ancillary uses shall be brought under a separate submittal for

consideration;

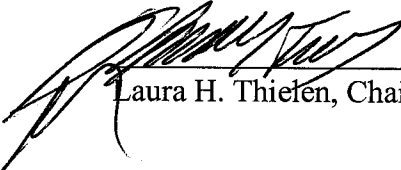
4. Should the County of Hawaii fail to satisfactorily complete or obtain the appropriate land use approvals within 3 years of the Board's approval, the Board's authorization to proceed and right-of-entry shall automatically be rescinded; and
5. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Wesley T. Matsunaga
Land Agent

APPROVED FOR SUBMITTAL:



Laura H. Thiefen, Chairperson

